

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairman Powell:

My name is Karl Van Lear. I am the president and CEO of Red Shift Internet Services operating out of Monterey, CA. My company currently services 14,000 customers in the Central California region. Of those, 1,600 are DSL customers. Our company is now 13 years old. We have built our services up over this time using wirelines bought from Pacific Bell. The relationship with Pacific Bell has had its ups and downs, but generally speaking, has worked.

The proposed NPRM, we believe, will give Pacific Bell far too much leeway in dealing with companies such as ours. Indeed, all ISPs that aren't the retail arm of RBOCs will suffer. Many will not survive. If the RBOCs are free to choose whether to provide us lines, most likely they will choose not to. If they had an interest in selling us lines, they would have done so more enthusiastically in the past and at more aggressive price points. I speak primarily here in reference to DSL lines. We believe quite sincerely that if Pacific Bell had their druthers, they would decline to sell them to us wholesale.

Pacific Bell has an ingrained habit of trying to solicit our DSL customers while they are installing the lines to these customers. We have piles of complaints from customers regarding this practice. Pacific Bell constantly attempts to lure our customers to their retail DSL either pre-sale or post-sale. We believe if they had any sincere regard for the wholesale distribution channel, they would never allow this. Therefore, it is quite clear they would rather not be in the business of wholesale channel distribution of DSL. Therefore, if they are allowed to pull out of it, which this NPRM will allow them to do, they most likely will.

Where does that leave ISPs such as Red Shift? It leaves us with no DSL service to sell. Most assuredly we will decline into an eventual corporate death because broadband is the future. The people working here will become unemployed along with myself. The monies that we put back into this community will be lost, impacting the local economy. Other services that we offer, which are not available through the RBOCs will become unavailable to our customers.

We provide add-ons to our DSL service that Pacific Bell does not offer. For example: We provide static IPs with any of our DSL services, Pacific Bell uses dynamic IPs, which do not work for all customers in all situations. Sometimes they need static IPs - we provide them a solution. We add on other of our proprietary services to our DSL that makes our offering unique to this area. This will all be lost to the local economy and local customers. We take great pride in the quality of service to our local area. We believe that what we offer is superior to what could be achieved without us in business. We pioneered Internet access in this area of California. We want to continue to develop this area and offer newer and better services to the citizens in this area of California.

We at Red Shift do not ask for a leg up in this economy. We don't need any overt help. We don't complain about much at all. All we want is a level playing field and fair rules.

Let us not forget how bad monopolies are for the economy and for innovation. I mention this because this NPRM furthers monopolies, regardless of what the FCC believes, it most certainly will consolidate power into the hands of local monopolies. Monopolies stifle innovation. There is less growth and less advancement; which is the opposite of what is needed in an economy that we all want very much to see grow again.

There has been much said about kick-starting the telecom industry as an impetus to an economic turnaround. There is an eye toward doing this with broadband stimulus incentives in congress and in the FCC. Removing competition will not ramp up the sales of DSL, it will only slow it down. Competition is what is required: Competition drives innovation, innovation creates interest and interest drives sal

Sincerely,

Karl Van Lear
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